

**Illinois Department of Revenue
Regulations**

Title 86 Part 130 Section 130.2008 Sales by Nonprofit Service Enterprises
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**TITLE 86: REVENUE
PART 130
RETAILERS' OCCUPATION TAX**

Section 130.2008 Sales by Nonprofit Service Enterprises

- a) The Retailers' Occupation Tax does not apply to some sales of merchandise by nonprofit organizations whose main purpose is to benefit persons who are 65 years of age or older. These organizations are called "service enterprises".
- b) An organization will be viewed as a service enterprise if it is organized and operated on a not-for-profit basis and if it provides services which are primarily designed to benefit persons 65 years of age or older. The types of services offered can include, but are not limited to, the following:
 - Counseling services;
 - employment services;
 - facilities improvement services;
 - health services;
 - nutritional services;
 - transportation services;
 - volunteer program services.
- c) Qualifying not-for-profit service enterprises are not required to remit tax to the Department on their sales of merchandise at retail if such organizations did not originally purchase the merchandise free from tax. The term "merchandise" includes raw materials which are fabricated into such merchandise.
- d) If a qualifying not-for-profit enterprise sells merchandise which was purchased tax-free under either a Certificate of Resale or an exemption identification number, it must collect and remit tax to the Department.

(Source: Added at 15 Ill. Reg. 6621, effective April 17, 1991)